

ASSEMBLY BILL

No. 2364

Introduced by Assembly Member Correa

February 19, 2004

An act relating to public pension systems, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2364, as introduced, Correa. Public pension systems: credit enhancement.

Existing law declares that the retirement boards of public pension and retirement systems have fiduciary responsibility over the assets of the public pension or retirement system.

This bill would declare the Legislature's intent to clarify the authority of public pension systems to establish credit enhancement programs.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. It is the intent of the Legislature to clarify the
2 authority of public pension systems to establish credit
3 enhancement programs to assist entities to secure more favorable
4 financing terms through a variety of types of credit enhancement
5 including, but not limited to, enhancement of the credit of bonds,
6 notes, and other indebtedness, thereby hastening the state's
7 economic recovery.

1 SEC. 2. This act is an urgency statute necessary for the
2 immediate preservation of the public peace, health, or safety
3 within the meaning of Article IV of the Constitution and shall go
4 into immediate effect. The facts constituting the necessity are:

5 In order that public retirement systems may establish credit
6 enhancement programs during this period of fiscal crisis, and
7 thereby hasten the state's economic recovery, it is necessary that
8 this act take effect immediately.

